

**FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1176**

Introduced by

Representatives Nathe, Hagert, Headland, Lefor, Porter, Stemen, Swiontek, Vigesaa

Senators Bekkedahl, Hogue, Weber, Rummel

1 A BILL for an Act to create and enact two new sections to chapter 54-27, a new section to  
2 chapter 57-02, and a new section to chapter 57-15 of the North Dakota Century Code, relating  
3 to a legacy earnings fund, a legacy property tax relief fund, a primary residence certification,  
4 and a limitation on property tax levies without voter approval; to amend and reenact section  
5 6-09.4-10.1, subsection 1 of section 21-10-06, sections 40-40-06, 54-27-19.3, and 57-02-01,  
6 subdivision c of subsection 1 of section 57-02-08.1, subdivision b of subsection 2 of section  
7 57-02-08.1, sections 57-02-08.9, 57-02-08.10, 57-02-27, 57-02-27.1, 57-02-53, 57-09-04,  
8 57-11-03, 57-12-06, 57-15-02.2, and 57-20-07.1, and subsection 1 of section 57-38-30.3 of the  
9 North Dakota Century Code, relating to funds invested by the state investment board, property  
10 tax definitions, the homestead tax credit and renters refund, the primary residence credit,  
11 property classifications, assessment and budget hearing notices to property owners, the  
12 property tax statement, and income tax rates for individuals, estates, and trusts; to repeal  
13 sections 21-10-12 and 21-10-13 of the North Dakota Century Code, relating to legacy fund  
14 definitions and the legacy earnings fund; to provide an appropriation; to provide a transfer; to  
15 provide an effective date; to provide an expiration date; and to declare an emergency.

16 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

17 **SECTION 1. AMENDMENT.** Section 6-09.4-10.1 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **6-09.4-10.1. Legacy sinking and interest fund - Debt service requirements - Public**  
20 **finance authority.**

21 There is created in the state treasury the legacy sinking and interest fund. The fund consists  
22 of all moneys deposited in the fund under section ~~21-10-135~~ of this Act. Moneys in the fund may

1 be spent by the public finance authority pursuant to legislative appropriations to meet the debt  
2 service requirements for evidences of indebtedness issued by the authority for transfer to the  
3 Bank of North Dakota for allocations to infrastructure projects and programs.

4 **SECTION 2. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century  
5 Code is amended and reenacted as follows:

6 1. Subject to the provisions of section 21-10-02, the board shall invest the following  
7 funds:

- 8 a. State bonding fund.
- 9 b. Teachers' fund for retirement.
- 10 c. State fire and tornado fund.
- 11 d. Workforce safety and insurance fund.
- 12 e. Public employees retirement system.
- 13 f. Insurance regulatory trust fund.
- 14 g. State risk management fund.
- 15 h. Budget stabilization fund.
- 16 i. Water projects stabilization fund.
- 17 j. Health care trust fund.
- 18 k. Cultural endowment fund.
- 19 l. Petroleum tank release compensation fund.
- 20 m. Legacy fund.
- 21 n. ~~Legacy earnings fund.~~
- 22 o. Opioid settlement fund.
- 23 ~~p.o.~~ A fund under contract with the board pursuant to subsection 3.

24 **SECTION 3. AMENDMENT.** Section 40-40-06 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **40-40-06. Notice of ~~preliminary budget statement -- Contents -- How given public~~**  
27 **budget hearing date.**

28 4. On or before August tenth of each year, after the governing body has prepared the  
29 preliminary budget statement, the auditor of the municipality shall:

- 30 a. ~~Provide the county auditor with a copy of the preliminary budget statement.~~

- 1     ~~b.1.~~ Set a public budget hearing date no earlier than September seventh and no later than  
2            October seventh for the purpose of adopting the final budget and making the annual  
3            tax levy.
- 4     ~~e.2.~~ Provide notice of the public budget hearing date to the county auditor.
- 5         2. ~~For municipalities anticipating levying less than one hundred thousand dollars in the~~  
6            ~~current year, notice must:~~
- 7            a. ~~Contain a statement of the total proposed expenditures for each fund in the~~  
8                 ~~preliminary budget, but need not contain any detailed statement of the proposed~~  
9                 ~~expenditures;~~
- 10          b. ~~Be published at least once, not less than six days prior to the budget hearing, in a~~  
11                 ~~newspaper published in the municipality, if there is one, and if no newspaper is~~  
12                 ~~published in the municipality, the notice must be published not less than six days~~  
13                 ~~prior to the meeting in the official city newspaper as provided by section~~  
14                 ~~40-01-09; and~~
- 15          c. ~~Provide that any taxpayer may appear and discuss with the governing body any~~  
16                 ~~item of proposed expenditures or may object to any item or amount.~~

17         **SECTION 4. AMENDMENT.** Section 54-27-19.3 of the North Dakota Century Code is  
18         amended and reenacted as follows:

19         **54-27-19.3. Legacy earnings highway distribution fund.**

20         A legacy earnings highway distribution fund is created as a special fund in the state treasury  
21         into which must be deposited any allocations of legacy fund earnings made under section  
22         ~~24-10-135 of this Act.~~ Any moneys in the legacy earnings highway distribution fund must be  
23         allocated and transferred by the state treasurer, as follows:

- 24            1. Sixty percent must be transferred to the department of transportation for deposit in the  
25                 state highway fund;
- 26            2. Ten percent must be transferred to the legacy earnings township highway aid fund;
- 27            3. One and five-tenths percent must be transferred to the public transportation fund; and
- 28            4. Twenty-eight and five-tenths percent must be allocated to cities and counties using the  
29                 formula established in subsection 4 of section 54-27-19. Moneys received by counties  
30                 and cities must be used for roadway purposes in accordance with section 11 of  
31                 article X of the Constitution of North Dakota.

1       **SECTION 5.** A new section to chapter 54-27 of the North Dakota Century Code is created  
2 and enacted as follows:

3       **Legacy earnings fund - State treasurer - Legacy fund distribution - Allocations.**

- 4       1. There is created in the state treasury the legacy earnings fund. The fund consists of all  
5 moneys distributed by the state treasurer from the legacy fund pursuant to section 26  
6 of article X of the Constitution of North Dakota. The distribution from the legacy fund  
7 on July first of each odd-numbered year must be equal to seven percent of the  
8 five-year average value of the legacy fund balance as reported by the state investment  
9 board. The average value of the legacy fund balance must be calculated using the  
10 fund balance at the end of each fiscal year for the five-year period ending with the  
11 most recently completed even-numbered fiscal year.
- 12       2. From the amount distributed to the legacy earnings fund under subsection 1, the state  
13 treasurer shall allocate funding in July of each odd-numbered year in the following  
14 order:
- 15       a. The first one hundred two million six hundred twenty-four thousand dollars or an  
16 amount equal to the amount appropriated from the legacy sinking and interest  
17 fund for debt service payments for a biennium, whichever is less, to the legacy  
18 sinking and interest fund under section 6-09.4-10.1.
- 19       b. The next one hundred million dollars to the legacy earnings highway distribution  
20 fund for allocations under section 54-27-19.3.
- 21       c. The remaining amount to the legacy property tax relief fund under section 6 of  
22 this Act.

23       **SECTION 6.** A new section to chapter 54-27 of the North Dakota Century Code is created  
24 and enacted as follows:

25       **Legacy property tax relief fund.**

26       There is created in the state treasury the legacy property tax relief fund. The fund consists  
27 of all moneys allocated to the fund under section 5 of this Act and all moneys transferred to the  
28 fund by the legislative assembly.

29       **SECTION 7. AMENDMENT.** Section 57-02-01 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1       **57-02-01. Definitions.**

2       As used in this title, unless the context or subject matter otherwise requires:

3       1. "Agricultural property" means platted or unplatted lands used for raising agricultural  
4       crops or grazing farm animals, except lands platted and assessed as agricultural  
5       property prior to March 30, 1981, shall continue to be assessed as agricultural  
6       property until put to a use other than raising agricultural crops or grazing farm animals.  
7       Agricultural property includes land on which a greenhouse or other building is located  
8       if the land is used for a nursery or other purpose associated with the operation of the  
9       greenhouse. The time limitations contained in this section may not be construed to  
10      prevent property that was assessed as other than agricultural property from being  
11      assessed as agricultural property if the property otherwise qualifies under this  
12      subsection.

13      a. Property platted on or after March 30, 1981, is not agricultural property when any  
14      four of the following conditions exist:

15          (1) The land is platted by the owner.

16          (2) Public improvements, including sewer, water, or streets, are in place.

17          (3) Topsoil is removed or topography is disturbed to the extent that the property  
18          cannot be used to raise crops or graze farm animals.

19          (4) Property is zoned other than agricultural.

20          (5) Property has assumed an urban atmosphere because of adjacent  
21          residential or commercial development on three or more sides.

22          (6) The parcel is less than ten acres [4.05 hectares] and not contiguous to  
23          agricultural property.

24          (7) The property sells for more than four times the county average true and full  
25          agricultural value.

26      b. Land that was assessed as agricultural property at the time the land was put to  
27      use for extraction of oil, natural gas, or subsurface minerals as defined in section  
28      38-12-01 must continue to be assessed as agricultural property if the remainder  
29      of the surface owner's parcel of property on which the subsurface mineral activity  
30      is occurring continues to qualify for assessment as agricultural property under  
31      this subsection.

- 1        2. "Air carrier transportation property" means the operative property of each airline  
2            whose property is assessed for taxation purposes pursuant to chapters 57-06 and  
3            57-32.
- 4        3. "Assessed valuation" means fifty percent of the true and full value of property.
- 5        4. "Centrally assessed property" means all property which is assessed by the state board  
6            of equalization under chapters 57-05, 57-06, and 57-32.
- 7        5. "Commercial property" means all property, or portions of property, not included in the  
8            classes of property defined in subsections 1, 4, ~~41~~,10, 12, 13, and ~~42~~14.
- 9        6. "Credits" means and includes every claim and demand for money or other valuable  
10            thing, and every annuity or sum of money receivable at stated periods, due or to  
11            become due, and all claims and demands secured by deeds or mortgages, due or to  
12            become due.
- 13       7. "Governing body" means a board of county commissioners, city council, board of city  
14            commissioners, school board, or board of education, or the similarly constituted and  
15            acting board of any other municipality.
- 16       8. "Money" or "moneys" means gold and silver coin, treasury notes, bank notes, and  
17            every deposit which any person owning the same or holding in trust and residing in  
18            this state is entitled to withdraw as money or on demand.
- 19       9. "Municipality" or "taxing district" means a county, city, township, school district, water  
20            conservation and flood control district, Garrison Diversion Conservancy District, county  
21            park district, joint county park district, irrigation district, park district, rural fire protection  
22            district, or any other subdivision of the state empowered to levy taxes.
- 23       10. "Nonprimary residential property" means residential property, or portions of residential  
24            property, not included in the class of property defined in subsection 12.
- 25       11. "Person" includes a firm, corporation, or limited liability company.
- 26       ~~41-12.~~ "Primary residential property" means residential property certified as a primary  
27            residence under section 14 of this Act.
- 28       13. "Railroad property" means the operating property, including franchises, of each  
29            railroad operated in this state, including any electric or other street or interurban  
30            railway.

1 ~~42.14.~~ "Residential property" means all property, or portions of property, used by an individual  
2 or group of individuals as a dwelling, including property upon which a mobile home is  
3 located but not including hotel and motel accommodations required to be licensed  
4 under chapter 23-09 nor structures providing living accommodations for four or more  
5 separate family units nor any tract of land upon which four or more mobile homes are  
6 located. The term includes nonprimary residential property and primary residential  
7 property.

8 ~~43.15.~~ "Taxable valuation" signifies the valuation remaining after deducting exemptions and  
9 making other reductions from the original assessed valuation, and is the valuation  
10 upon which the rate of levy finally is computed and against which the taxes finally are  
11 extended.

12 ~~44.16.~~ "Tract", "lot", "piece or parcel of real property", or "piece or parcel of land" means any  
13 contiguous quantity of land in the possession of, owned by or recorded as the property  
14 of, the same claimant, person, or company.

15 ~~45.17.~~ "True and full value" means the value determined by considering the earning or  
16 productive capacity, if any, the market value, if any, and all other matters that affect the  
17 actual value of the property to be assessed. This shall include, for purposes of arriving  
18 at the true and full value of property used for agricultural purposes, farm rentals, soil  
19 capability, soil productivity, and soils analysis.

20 ~~46.18.~~ "Unencumbered cash" means the total cash on hand in any fund, less the amount  
21 belonging to the fund in closed banks and less the amount of outstanding warrants,  
22 bills, accounts, and contracts which are chargeable against the fund.

23 ~~47.19.~~ There shall be a presumption that a unit of land is not a farm unless such unit contains  
24 a minimum of ten acres [4.05 hectares], and the taxing authority, in determining  
25 whether such presumption shall apply, shall consider such things as the present use,  
26 the adaptability to use, and how similar type properties in the immediate area are  
27 classified for tax purposes.

28 **SECTION 8. AMENDMENT.** Subdivision c of subsection 1 of section 57-02-08.1 of the  
29 North Dakota Century Code is amended and reenacted as follows:

30 c. The exemption must be determined according to the following schedule:

1 (1) If the person's income is not in excess of ~~forty~~fifty thousand dollars, a  
2 reduction of one hundred percent of the taxable valuation of the person's  
3 homestead up to a maximum reduction of nine thousand dollars of taxable  
4 valuation.

5 (2) If the person's income is in excess of ~~forty~~fifty thousand dollars and not in  
6 excess of ~~seventy~~eighty thousand dollars, a reduction of fifty percent of the  
7 taxable valuation of the person's homestead up to a maximum reduction of  
8 four thousand five hundred dollars of taxable valuation.

9 **SECTION 9. AMENDMENT.** Subdivision b of subsection 2 of section 57-02-08.1 of the  
10 North Dakota Century Code is amended and reenacted as follows:

11 b. For the purpose of this subsection, twenty percent of the annual rent, exclusive of  
12 any federal rent subsidy and of charges for any utilities, services, furniture,  
13 furnishings, or personal property appliances furnished by the landlord as part of  
14 the rental agreement, whether expressly set out in the rental agreement, must be  
15 considered as payment made for property tax. When any part of the twenty  
16 percent of the annual rent exceeds four percent of the annual income of a  
17 qualified applicant, the applicant is entitled to receive a refund from the state  
18 general fund for that amount in excess of four percent of the person's annual  
19 income, but the refund may not be in excess of ~~four hundred~~six hundred dollars.  
20 If the calculation for the refund is less than five dollars, a minimum of five dollars  
21 must be sent to the qualifying applicant.

22 **SECTION 10. AMENDMENT.** Section 57-02-08.9 of the North Dakota Century Code is  
23 amended and reenacted as follows:

24 **57-02-08.9. Primary residence credit - Qualification - Application. (Effective for the**  
25 **first two taxable years~~year~~ beginning after December 31, ~~2023~~2024)**

26 1. ~~An individual~~A taxpayer is entitled to a credit of ~~five hundred dollars~~ against the  
27 property tax due on the ~~individual's~~taxpayer's primary residence as provided in this  
28 section. The credit may:

29 a. Is limited to one thousand four hundred fifty dollars.

30 b. May not reduce the liability for special assessments levied upon any property.



- 1           c. May not exceed the amount of property tax due against the primary residence.  
2           The credit must
- 3           d. Must be applied to reduce the property tax owed on the individual's taxpayer's  
4           primary residence after other exemptions or credits under this chapter have been  
5           applied.
- 6        2. For purposes of this section, "primary:
- 7           a. "Owned" means the individual holds a present ownership interest, including  
8           ownership in fee simple, holds a present life estate or other terminable present  
9           ownership interest, holds a beneficial interest in a qualifying trust, or is a  
10          purchaser under a contract for deed. The term does not include a mere right of  
11          occupancy or a tenancy under a lease.
- 12          b. (1) "Primary residence" means a dwelling in this state owned and occupied by  
13          an individual as that individual's primary place of residence and includes  
14          residences taxed under chapter 57-55, including the land, appurtenances,  
15          and improvements used in the residential occupancy of the dwelling, that is:  
16               (a) Owned by one or more individuals, either directly or through a  
17               beneficial interest in a qualifying trust;  
18               (b) Designed or adapted for human residence;  
19               (c) Used as a residence; and  
20               (d) Occupied as a primary place of residence by an owner, by an  
21               individual who has a life estate in the property, or, for property owned  
22               through a beneficial interest in a qualifying trust, by a trustor or  
23               beneficiary of the trust who qualifies for the credit.
- 24          (2) For purposes of the definition of "primary residence" under this subdivision:  
25               (a) An individual may not have more than one primary residence.  
26               (b) A primary residence includes a primary residence taxed under  
27               chapter 57-55.
- 28          c. "Qualifying trust" means a trust:  
29               (1) In which the agreement, will, or court order creating the trust, an instrument  
30               transferring property to the trust, or any other agreement that is binding on  
31               the trustee provides that the trustor of the trust or a beneficiary of the trust

- 1                   has the right to use and occupy as the trustor's or beneficiary's primary  
2                   residence rent free and without charge except for taxes and other costs and  
3                   expenses specified in the instrument or court order:
- 4                   (a) For life;  
5                   (b) For the lesser of life or a term of years; or  
6                   (c) Until the date the trust is revoked or terminated by an instrument or  
7                   court order that describes the property with sufficient certainty to  
8                   identify it and is recorded in the real property records of the county in  
9                   which the property is located; and
- 10                  (2) That acquires the property in an instrument of title or under a court order  
11                  that:
- 12                  (a) Describes the property with sufficient certainty to identify it and the  
13                  interest acquired; and  
14                  (b) Is recorded in the real property records of the county in which the  
15                  property is located.
- 16                  d. "Trustor" means an individual who transfers an interest in real or personal  
17                  property to a qualifying trust, whether during the individual's lifetime or at death,  
18                  or the individual's spouse.
- 19                  3. An individual who does not reside in the primary residence ~~in this state~~ is eligible for  
20                  the credit under this section if the individual's absence is due to confinement in a  
21                  nursing home, hospital, or other care facility, for as long as that confinement lasts and  
22                  the portion of the primary residence previously occupied by the individual is not rented  
23                  to another ~~individual~~person.
- 24                  4. Only one credit under this section may be applied against the property taxes levied  
25                  against any primary residence. If a credit under this section is applied against the  
26                  property tax due on a primary residence subject to a real estate transaction, any  
27                  proration of the amount of property tax owed by a buyer or seller must be based on  
28                  the amount of property tax owed after application of the credit under this section.
- 29                  5. An individual whose primary residence is a farm structure exempt from taxation under  
30                  subsection 15 of section 57-02-08 is not eligible for a credit under this section.

- 1       6. The credit may not reduce the liability for special assessments levied upon any
- 2           property.
- 3       7. To apply for a credit under this section, an applicant shall sign and file with the tax
- 4           commissioner, ~~by April first of each year,~~ an application containing a verified statement
- 5           of facts establishing the applicant's eligibility as of the date of the ~~claim~~application on a
- 6           form and in the manner prescribed by the tax commissioner. The application must be
- 7           filed:
- 8           a. By April 1, 2025, to request a credit for taxable year 2025 for a primary residence
- 9           taxed as real estate under this title or as a mobile home under chapter 57-55.
- 10          b. By September 1, 2025, to request a credit for taxable year 2026 for a primary
- 11          residence taxed as a mobile home under chapter 57-55.
- 12       8. The tax commissioner, in consultation with the county auditors, shall prescribe, design,
- 13           and make available all forms necessary to effectuate this section. The tax
- 14           commissioner shall make these forms available upon request.

15       **SECTION 11. AMENDMENT.** Section 57-02-08.9 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17       **57-02-08.9. Primary residence credit - Qualification - ~~Application. (Effective for the~~**  
18 **~~first taxable year beginning after December 31, 2024)~~**

- 19       1. A taxpayer is entitled to a credit against the property tax due on the taxpayer's parcel
- 20           of primary residence~~residential property~~ as provided in this section. The credit:
  - 21           a. Is limited to one thousand four hundred fifty dollars.
  - 22           b. May not reduce the liability for special assessments levied upon any property.
  - 23           c. May not exceed the amount of property tax due against the parcel of primary
  - 24           residence~~residential property~~.
  - 25           d. Must be applied to reduce the property tax owed on the taxpayer's parcel of
  - 26           primary residence~~residential property~~ after other exemptions or credits under this
  - 27           chapter have been applied.
- 28       2. ~~For purposes of this section:~~
  - 29           a. ~~"Owned" means the individual holds a present ownership interest, including~~
  - 30           ~~ownership in fee simple, holds a present life estate or other terminable present~~
  - 31           ~~ownership interest, holds a beneficial interest in a qualifying trust, or is a~~

1 purchaser under a contract for deed. The term does not include a mere right of  
2 occupancy or a tenancy under a lease.

3 b. (1) ~~"Primary residence" means a dwelling in this state, including the land,  
4 appurtenances, and improvements used in the residential occupancy of the  
5 dwelling, that is:~~

6 (a) ~~Owned by one or more individuals, either directly or through a  
7 beneficial interest in a qualifying trust;~~

8 (b) ~~Designed or adapted for human residence;~~

9 (c) ~~Used as a residence; and~~

10 (d) ~~Occupied as a primary place of residence by an owner, by an  
11 individual who has a life estate in the property, or, for property owned  
12 through a beneficial interest in a qualifying trust, by a trustor or  
13 beneficiary of the trust who qualifies for the credit.~~

14 (2) ~~For purposes of the definition of "primary residence" under this subdivision:~~

15 (a) ~~An individual may not have more than one primary residence.~~

16 (b) ~~A primary residence includes a primary residence taxed under  
17 chapter 57-55.~~

18 e. ~~"Qualifying trust" means a trust:~~

19 (1) ~~In which the agreement, will, or court order creating the trust, an instrument  
20 transferring property to the trust, or any other agreement that is binding on  
21 the trustee provides that the trustor of the trust or a beneficiary of the trust  
22 has the right to use and occupy as the trustor's or beneficiary's primary  
23 residence rent free and without charge except for taxes and other costs and  
24 expenses specified in the instrument or court order:~~

25 (a) ~~For life;~~

26 (b) ~~For the lesser of life or a term of years; or~~

27 (c) ~~Until the date the trust is revoked or terminated by an instrument or  
28 court order that describes the property with sufficient certainty to  
29 identify it and is recorded in the real property records of the county in  
30 which the property is located; and~~

1                   (2) That acquires the property in an instrument of title or under a court order  
2                   that:

3                   (a) Describes the property with sufficient certainty to identify it and the  
4                   interest acquired; and

5                   (b) Is recorded in the real property records of the county in which the  
6                   property is located.

7                   d. "Trustor" means an individual who transfers an interest in real or personal  
8                   property to a qualifying trust, whether during the individual's lifetime or at death,  
9                   or the individual's spouse.

10                  3. An individual who does not reside in the primary residence is eligible for the credit  
11                  under this section if the individual's absence is due to confinement in a nursing home,  
12                  hospital, or other care facility, for as long as that confinement lasts and the portion of  
13                  the primary residence previously occupied by the individual is not rented to another  
14                  person.

15                  4. Only one credit under this section may be applied against the property taxes levied  
16                  against any parcel of primary residence~~residential property~~. If a credit under this  
17                  section is applied against the property tax due on a parcel of primary  
18                  ~~residence~~residential property subject to a real estate transaction, any proration of the  
19                  amount of property tax owed by a buyer or seller must be based on the amount of  
20                  property tax owed after application of the credit under this section.

21                  5. An individual whose primary residence is a farm structure exempt from taxation under  
22                  subsection 15 of section 57-02-08 is not eligible for a credit under this section.

23                  6. The credit may not reduce the liability for special assessments levied upon any  
24                  property.

25                  7. To apply for a credit under this section, an applicant shall sign and file with the tax  
26                  commissioner an application containing a verified statement of facts establishing the  
27                  applicant's eligibility as of the date of the application on a form and in the manner  
28                  prescribed by the tax commissioner. The application must be filed:

29                  a. By April 1, 2025, to request a credit for taxable year 2025 for a primary residence  
30                  taxed as real estate under this title or as a mobile home under chapter 57-55.

1           b. ~~By September 1, 2025, to request a credit for taxable year 2026 for a primary-~~  
2                 ~~residence taxed as a mobile home under chapter 57-55.~~

3       ~~8.3.~~ The tax commissioner, in consultation with the county auditors, shall prescribe, design,  
4           and make available all forms necessary to effectuate this section. ~~The tax-~~  
5           ~~commissioner shall make these forms available upon request.~~

6           **SECTION 12. AMENDMENT.** Section 57-02-08.10 of the North Dakota Century Code is  
7   amended and reenacted as follows:

8           **57-02-08.10. Primary residence credit - Certification - Distribution. (Effective through**  
9   **~~June 30, 2026~~May 31, 2026)**

10          1. ~~By June first of each year~~June 1, 2025, the tax commissioner shall:

11           a. Review a sampling of information certified by the county auditor regarding the  
12                 sum of the credits applied against real estate and mobile home taxes levied for  
13                 taxable year 2024 to verify the accuracy of the application of the credit and certify  
14                 to the state treasurer for payment to each county the aggregate dollar amount of  
15                 credits applied against real estate and mobile home taxes levied for taxable year  
16                 2024.

17           b. Review the applications received under section 57-02-08.9 for credits to be  
18                 applied against real estate and mobile home taxes levied for taxable year 2025  
19                 and determine which applicants qualify for the credit allowed under section  
20                 57-02-08.9 for taxable year 2025; and

21          ~~b.c.~~ Provide to each county auditor:

22                 (1) A copy of each approved application under subdivision ~~a~~b which identifies a  
23                         primary residence located in the county; and

24                 (2) The sum of the credits allowed under section 57-02-08.9 in the county for  
25                         ~~the current~~ taxable year 2025.

26          2. By November 1, 2025, the tax commissioner shall:

27           a. Review the applications received under section 57-02-08.9 for primary  
28                 residences taxed as mobile homes under chapter 57-55 for credits to be applied  
29                 against taxes levied for taxable year 2026 and determine which applicants qualify  
30                 for the credit allowed under section 57-02-08.9 for taxable year 2026; and

31           b. Provide to each county auditor:

1           (1) A copy of each approved application under subdivision a which identifies a  
2           primary residence taxed under chapter 57-55 located in the county; and

3           (2) The sum of the credits allowed under section 57-02-08.9 for primary  
4           residences taxed under chapter 57-55 in the county for taxable year 2026.

5       3. a. For taxable year 2025:

6           (1) The county auditor shall apply the credit under section 57-02-08.9 to each  
7           primary residence taxed as real estate under this title and identified by the  
8           tax commissioner as a qualifying primary residence on the corresponding  
9           property tax statement.

10          (2) The county auditor shall consider an application received under section  
11          57-02-08.9 for a primary residence taxed as a mobile home under chapter  
12          57-55 and identified by the tax commissioner as a qualifying primary  
13          residence under subdivisions b and c of subsection 1 as an application for  
14          an abatement and refund of taxes in the amount of the credit allowed. The  
15          county auditor shall present the application for abatement and refund of  
16          taxes to the board of county commissioners at its next regular meeting. The  
17          county commissioners shall approve the applications filed under this  
18          paragraph as soon as practicable and refunds must be issued without delay  
19          according to the procedures in section 57-23-09. The application, notice,  
20          and hearing requirements and procedures under chapter 57-23 and  
21          sections 57-55-04.1 and 57-55-12 do not apply to an application for  
22          abatement and refund filed under this paragraph.

23          b. For taxable year 2026, the county auditor shall apply the credit under section  
24          57-02-08.9 to each primary residence taxed as a mobile home under chapter  
25          57-55 and identified by the tax commissioner as a qualifying primary residence  
26          on the corresponding mobile home tax statement.

27       ~~3.4.~~ By January first of each year January 15, 2026, the county auditor shall certify to the  
28       tax commissioner the sum of the credits approved by the tax commissioner under  
29       ~~subsection 1~~ subdivisions b and c of subsection 1 and under subsection 2 which were  
30       applied ~~toward~~ against property taxes owed on primary residences in the county for the  
31       preceding ~~year~~ as provided in subsection 3.

1     ~~4.5.~~ By June first of each year after 2024~~May 31, 2026~~, the tax commissioner shall review  
2     a sampling of information provided by the county auditor to verify the accuracy of the  
3     application of the credit and certify to the state treasurer for payment to each county  
4     the aggregate dollar amount of credits allowed under section 57-02-08.9 in each  
5     county for the preceding year~~applied against property taxes owed on primary~~  
6     residences in the county as provided in subsection 3.

7     ~~5.6.~~ Within fourteen days of receiving the payment from the state treasurer, but no later  
8     than June thirtieth of each year after 2024, the county treasurer shall apportion and  
9     distribute the payment to the county and to the taxing districts of the county on the  
10    same basis as property taxes for the preceding year~~and mobile home taxes~~ were  
11    apportioned and distributed for the taxable year in which the taxes were levied.

12    ~~6.7.~~ Supplemental certifications by the county auditor and the tax commissioner and  
13    supplemental payments by the state treasurer may be made after the dates prescribed  
14    in this section to make corrections necessary because of errors.

15    ~~7.8.~~ The county auditors shall provide information requested by the tax commissioner to  
16    effectuate this section.

17    ~~8.9.~~ The tax commissioner shall prescribe, design, and make available all forms necessary  
18    to effectuate this section.

19        **SECTION 13. AMENDMENT.** Section 57-02-08.10 of the North Dakota Century Code is  
20    amended and reenacted as follows:

21        **57-02-08.10. Primary residence credit - Certification - Distribution. (Effective through**  
22    **May 31, 2026)**

- 23        1. By June 1, 2025, the tax commissioner shall:
- 24            a. ~~Review a sampling of information certified by the county auditor regarding the~~  
25            ~~sum of the credits applied against real estate and mobile home taxes levied for~~  
26            ~~taxable year 2024 to verify the accuracy of the application of the credit and certify~~  
27            ~~to the state treasurer for payment to each county the aggregate dollar amount of~~  
28            ~~credits applied against real estate and mobile home taxes levied for taxable year~~  
29            ~~2024.~~
- 30            b. ~~Review the applications received under section 57-02-08.9 for credits to be~~  
31            ~~applied against real estate and mobile home taxes levied for taxable year~~



- 1                   2025 and determine which applicants qualify for the credit allowed under section-
- 2                   57-02-08.9 for taxable year 2025; and
- 3           e.   Provide to each county auditor:
- 4                   (1)   A copy of each approved application under subdivision b which identifies a
- 5                   primary residence located in the county; and
- 6                   (2)   The sum of the credits allowed under section 57-02-08.9 in the county for
- 7                   taxable year 2025.
- 8           2.   By November 1, 2025, the tax commissioner shall:
- 9                   a.   Review the applications received under section 57-02-08.9 for primary
- 10                  residences taxed as mobile homes under chapter 57-55 for credits to be applied
- 11                  against taxes levied for taxable year 2026 and determine which applicants qualify
- 12                  for the credit allowed under section 57-02-08.9 for taxable year 2026; and
- 13                  b.   Provide to each county auditor:
- 14                   (1)   A copy of each approved application under subdivision a which identifies a
- 15                   primary residence taxed under chapter 57-55 located in the county; and
- 16                   (2)   The sum of the credits allowed under section 57-02-08.9 for primary
- 17                   residences taxed under chapter 57-55 in the county for taxable year 2026.
- 18           3.   a.   For taxable year 2025:
- 19                   (1)   The county auditor shall apply the credit under section 57-02-08.9 to each
- 20                   primary residence taxed as real estate under this title and identified by the
- 21                   tax commissioner as a qualifying primary residence on the corresponding
- 22                   property tax statement.
- 23                   (2)   The county auditor shall consider an application received under section-
- 24                   57-02-08.9 for a primary residence taxed as a mobile home under chapter
- 25                   57-55 and identified by the tax commissioner as a qualifying primary
- 26                   residence under subdivisions b and c of subsection 1 as an application for
- 27                   an abatement and refund of taxes in the amount of the credit allowed. The
- 28                   county auditor shall present the application for abatement and refund of
- 29                   taxes to the board of county commissioners at its next regular meeting. The
- 30                   county commissioners shall approve the applications filed under this
- 31                   paragraph as soon as practicable and refunds must be issued without delay

- 1 according to the procedures in section 57-23-09. The application, notice,  
2 and hearing requirements and procedures under chapter 57-23 and  
3 sections 57-55-04.1 and 57-55-12 do not apply to an application for  
4 abatement and refund filed under this paragraph.
- 5 b. ~~For taxable year 2026, the~~The county auditor shall apply the credit under section  
6 57-02-08.9 to each primary residence taxed as a mobile home under chapter  
7 57-55 and identified by the tax commissioner as a qualifying primary  
8 residence~~parcel of primary residential property~~ on the corresponding property tax  
9 statement or mobile home tax statement.
- 10 ~~4.2.~~ By January 15, ~~2026~~fifteenth of each year, the county auditor shall certify to the tax  
11 commissioner the sum of the credits approved by the tax commissioner under  
12 subdivisions b and c of subsection 1 and subsection 2 which~~that~~ were applied against  
13 property taxes owed on primary residences in the county as provided in  
14 subsection 3~~for~~:
- 15 a. The preceding taxable year for primary residential property taxed as real estate  
16 under this title.
- 17 b. The current taxable year for primary residential property taxed as a mobile home  
18 under chapter 57-55.
- 19 ~~5.3.~~ By May 31, ~~2026~~thirty-first of each year, the tax commissioner shall ~~review a sampling~~  
20 ~~of information provided by the county auditor to verify the accuracy of the application~~  
21 ~~of the credit and~~ certify to the state treasurer for payment to each county the  
22 aggregate dollar amount of credits applied against property taxes owed on primary  
23 residences in the county as provided~~certified by the counties~~ in subsection 3~~2~~.
- 24 ~~6.4.~~ Within fourteen days of receiving the payment from the state treasurer, ~~but no later~~  
25 ~~than June thirtieth of each year~~, the county treasurer shall apportion and distribute the  
26 payment to the county and to the taxing districts of the county on the same basis as  
27 property taxes and mobile home taxes were apportioned and distributed for the  
28 taxable year in which the taxes were levied.
- 29 ~~7.5.~~ Supplemental certifications by the county auditor and the tax commissioner and  
30 supplemental payments by the state treasurer may be made after the dates prescribed  
31 in this section to make corrections necessary because of errors.

1     ~~8-6.~~   The county auditors shall provide information requested by the tax commissioner to  
2             effectuate this section.

3     ~~9-7.~~   The tax commissioner shall prescribe, design, and make available all forms necessary  
4             to effectuate this section.

5             **SECTION 14.** A new section to chapter 57-02 of the North Dakota Century Code is created  
6 and enacted as follows:

7             **Primary residence certification - Eligibility for primary residential property**  
8 **classification - Application.**

9             1.   To be eligible for a primary residential property classification under this chapter, a  
10             primary residence must be certified by the county director of tax equalization as  
11             provided in this section.

12            2.   A dwelling does not lose its character as a primary residence if the owner of the  
13             dwelling does not reside in the primary residence because the individual is confined in  
14             a nursing home, hospital, or other care facility, for as long as that confinement lasts  
15             and the portion of the primary residence previously occupied by the individual is not  
16             rented to another person.

17            3.   To be certified as a primary residence and eligible for the primary residential property  
18             classification under this chapter, an owner shall sign and file with the tax commissioner  
19             an application containing a verified statement of facts establishing the owner's  
20             property meets the eligibility requirements to be considered a primary residence under  
21             this section as of the date of the application on a form and in the manner prescribed by  
22             the tax commissioner.

23            a.   An application for primary residence certification must be filed by February first of  
24             each year to request a primary residence certification for:

25             (1) The taxable year during which the application is filed for a primary residence  
26             taxed as real estate under this title.

27             (2) The taxable year succeeding the taxable year during which the application  
28             is filed for a primary residence taxed as a mobile home under chapter  
29             57-55.

30            b.   As soon as practicable after receiving the applications, no later than February  
31             twenty-eighth of each year, the tax commissioner shall:

- 1           (1) Review the applications received under this subsection and determine  
2           which applicants qualify for the primary residence certification; and  
3           (2) Provide to each county director of tax equalization a copy of each approved  
4           or rejected application received under this subsection which identifies  
5           property located in the county.
- 6           c. Within fifteen days of receipt of the applications from the tax commissioner under  
7           paragraph 2 of subdivision b, no later than March fifteenth of each year, the  
8           county director of tax equalization shall notify the applicant of the approval or  
9           denial of the application and reflect the appropriate classification of the property  
10          on the assessment list.
- 11          d. The tax commissioner may request additional documentation from the applicant  
12          when making the determination of eligibility.
- 13          e. Determinations of eligibility under this subsection may be appealed through the  
14          informal equalization process and formal abatement process.
- 15          4. A primary residence certification under this section is valid for the entire taxable year  
16          for which the application for certification was approved, without regard to any change  
17          of ownership of the property which occurs after the application for certification was  
18          approved.
- 19          5. The tax commissioner shall prescribe, design, and make available all forms necessary  
20          to effectuate this section. Application forms must include the full name and address of  
21          the applicant and any other information prescribed by the tax commissioner. The  
22          county director of tax equalization shall make these forms available to applicants upon  
23          request.
- 24          6. For purposes of this section:
- 25               a. "Owned" means the individual holds a present ownership interest, including  
26               ownership in fee simple, holds a present life estate or other terminable present  
27               ownership interest, holds a beneficial interest in a qualifying trust, or is a  
28               purchaser under a contract for deed. The term does not include a mere right of  
29               occupancy or a tenancy under a lease.
- 30               b. (1) "Primary residence" means a dwelling in this state, including the land,  
31               appurtenances, and improvements used in the residential occupancy of the

1 dwelling, which is not exempt from property taxes as a farm residence and,  
2 subject to subsection 2 and paragraph 2, as of the assessment date of the  
3 taxable year, is:

4 (a) Owned by one or more individuals, either directly or through a  
5 beneficial interest in a qualifying trust;

6 (b) Designed or adapted for human residence;

7 (c) Used as a residence; and

8 (d) Occupied as a primary place of residence by an owner, an individual  
9 who has a life estate in the property, or, for property owned through a  
10 beneficial interest in a qualifying trust, by a trustor or beneficiary of the  
11 trust who qualifies for the certification.

12 (2) For purposes of the term:

13 (a) An individual may not have more than one primary residence.

14 (b) A primary residence includes a primary residence taxed under  
15 chapter 57-55.

16 c. "Qualifying trust" means a trust:

17 (1) In which the agreement, will, or court order creating the trust, an instrument  
18 transferring property to the trust, or any other agreement that is binding on  
19 the trustee provides that the trustor of the trust or a beneficiary of the trust  
20 has the right to use and occupy as the trustor's or beneficiary's primary  
21 residence rent free and without charge except for taxes and other costs and  
22 expenses specified in the instrument or court order:

23 (a) For life;

24 (b) For the lesser of life or a term of years; or

25 (c) Until the date the trust is revoked or terminated by an instrument or  
26 court order that describes the property with sufficient certainty to  
27 identify it and is recorded in the real property records of the county in  
28 which the property is located; and

29 (2) That acquires the property in an instrument of title or under a court order  
30 that:

1                   (a) Describes the property with sufficient certainty to identify it and the  
2   interest acquired; and

3                   (b) Is recorded in the real property records of the county in which the  
4   property is located.

5                   d. "Trustor" means an individual who transfers an interest in real or personal  
6   property to a qualifying trust, whether during the individual's lifetime or at death,  
7   or the individual's spouse.

8                   **SECTION 15. AMENDMENT.** Section 57-02-27 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10                   **57-02-27. Property to be valued at a percentage of assessed value - Classification of**  
11 **property - Limitation on valuation of annexed agricultural lands.**

12                   1. All property subject to taxation based on the value thereof must be valued as follows:

13                   1. a. All primary residential property and nonprimary residential property to be valued  
14   at nine percent of assessed value. If any property is used for both residential and  
15   nonresidential purposes, the valuation must be prorated accordingly.

16                   2. b. All agricultural property to be valued at ten percent of assessed value as  
17   determined pursuant to section 57-02-27.2.

18                   3. c. All commercial property to be valued at ten percent of assessed value.

19                   4. d. All centrally assessed property to be valued at ten percent of assessed value  
20   except as provided in section 57-06-14.1.

21                   2. ~~The resulting amounts must be known as~~resulting from the calculation under  
22   subsection 1 are the taxable valuation.

23                   3. In determining the assessed value of real and personal property, except agricultural  
24   property, the assessor may not adopt a lower or different standard of value because  
25   the same is to serve as a basis of taxation, nor may the assessor adopt as a criterion  
26   of value the price at which said property would sell at auction, or at forced sale, or in  
27   the aggregate with all the property in the town or district, but the assessor shall value  
28   each article or description by itself, and at such sum or price as the assessor believes  
29   the same to be fairly worth in money. In assessing any tract or lot of real property,  
30   there must be determined the value of the land, exclusive of improvements, and the  
31   value of all taxable improvements and structures thereon, and the aggregate value of

1 the property, including all taxable structures and other improvements, excluding the  
2 value of crops growing upon cultivated lands. In valuing any real property upon which  
3 there is a coal or other mine, or stone or other quarry, the same must be valued at  
4 such a price as such property, including the mine or quarry, would sell for at a fair  
5 voluntary sale for cash. Agricultural lands within the corporate limits of a city which are  
6 not platted constitute agricultural property and must be so classified and valued for  
7 ad valorem property tax purposes until such lands are put to another use. Agricultural  
8 lands, whether within the corporate limits of a city or not, which were platted and  
9 assessed as agricultural property prior to March 30, 1981, must be assessed as  
10 agricultural property for ad valorem property tax purposes until put to another use.  
11 Such valuation must be uniform with the valuation of adjoining unannexed agricultural  
12 land.

13 **SECTION 16. AMENDMENT.** Section 57-02-27.1 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **57-02-27.1. Property to be valued at true and full value.**

- 16 1. All assessors and boards of equalization shall place the values of all items of taxable  
17 property at the true and full value of the property except as otherwise specifically  
18 provided by law, and the amount of taxes that may be levied on such property must be  
19 limited as provided in this chapter. For the purposes of sections 57-02-27, 57-02-27.1,  
20 57-02-27.2, and 57-55-04, the term "true and full value" has the same meaning as  
21 provided in ~~subsection 15 of~~ section 57-02-01, except that "true and full value" of  
22 agricultural lands must be as determined pursuant to section 57-02-27.2.
- 23 2. The governing body of the city or township may establish valuations that recognize the  
24 supply of vacant lots available for sale.

25 **SECTION 17. AMENDMENT.** Section 57-02-53 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **57-02-53. Assessment ~~increases~~ notice to property owner.**

- 28 1. a. ~~When any assessor has increased the true and full valuation of any lot or tract~~  
29 ~~of land and improvements to an amount that is an increase of three thousand dollars~~  
30 ~~or more and ten percent or more from the amount of the previous year's assessment,~~  
31 ~~the~~An assessor shall deliver written notice of the amount of increase and the amount of

1           ~~the previous~~true and full value of each parcel of taxable property for the current year's  
2           ~~assessment to the property owner at the expense of the assessment district for which~~  
3           ~~the assessor is employed~~and previous year, including improvements, which have been  
4           ~~assessed by the assessor.~~

5           2. Delivery of written notice to a property owner under this ~~subdivision~~section must be  
6           completed at least fifteen days before the meeting of the local board of equalization.

7           ~~b. If written notice by the assessor was not required under subdivision a and action~~  
8           ~~by the township, city, or county board of equalization or order of the state board~~  
9           ~~of equalization has increased the true and full valuation of any lot or tract of land~~  
10           ~~and improvements to an amount that results in a cumulative increase of three~~  
11           ~~thousand dollars or more and ten percent or more from the amount of the~~  
12           ~~previous year's assessment, written notice of the amount of increase and the~~  
13           ~~amount of the previous year's assessment must be delivered to the property~~  
14           ~~owner. The written notice under this subdivision must be mailed or delivered at~~  
15           ~~the expense of the township, city, or county that made the assessment increase~~  
16           ~~or at the expense of the township, city, or county that was ordered to make the~~  
17           ~~increase by the state board of equalization. Delivery of written notice to a~~  
18           ~~property owner under this subdivision must be completed within fifteen days after~~  
19           ~~the meeting of the township, city, or county board of equalization that made or~~  
20           ~~ordered the assessment increase and within thirty days after the meeting of the~~  
21           ~~state board of equalization, if the state board of equalization ordered the~~  
22           ~~assessment increase.~~

23           ~~e.3.~~ The tax commissioner shall prescribe suitable forms for written notices under this  
24           ~~subsection~~section. The written notice under ~~subdivision a~~this section must show  
25           ~~the~~contain:

26           a. The true and full value of the parcel of taxable property, including improvements,  
27           that the assessor determined for the current year and for the previous year and  
28           must also show the.

29           b. The date prescribed by law, time, and location for the meeting of the local board  
30           of equalization of the assessment district in which the parcel of taxable property



1 is located and the meeting date, time, and location of the county board of  
2 equalization hearing of each taxing district.

3 ~~d.4.~~ Delivery of written notice under this section must be by personal delivery to the  
4 property owner, mail addressed to the property owner at the property owner's  
5 last-known address, or electronic mail to the property owner directed with verification  
6 of receipt to an electronic mail address at which the property owner has consented to  
7 receive notice.

8 2. ~~The form of notice prescribed by the tax commissioner must require a statement to~~  
9 ~~inform the taxpayer that an assessment increase may mean property taxes on the~~  
10 ~~parcel will increase. The notice may contain an estimate of a tax increase resulting~~  
11 ~~from the assessment increase.~~

12 **SECTION 18. AMENDMENT.** Section 57-09-04 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **57-09-04. Duties of board --~~Limitation on increase~~ -- Notice.**

15 The township board of equalization shall ascertain whether all taxable property in its  
16 township has been properly placed upon the assessment list and duly valued by the assessor.  
17 In case any real property has been omitted by inadvertence or otherwise, the board shall place  
18 the same upon the list with the true value thereof. The board shall proceed to correct the  
19 assessment so that each tract or lot of real property is entered on the assessment list at the true  
20 value thereof. ~~The board may not increase the valuation returned by the assessor to an amount~~  
21 ~~that results in a cumulative increase of more than fifteen percent from the amount of the~~  
22 ~~previous year's assessment without giving the owner or the owner's agent reasonable notice~~  
23 ~~and opportunity to be heard regarding the intention of the board to increase it. All complaints~~  
24 ~~and grievances of residents of the township must be heard and decided by the board and it may~~  
25 ~~make corrections as appear to be just. Complaints by nonresidents with reference to the~~  
26 ~~assessment of any real property and complaints by others with reference to any assessment~~  
27 ~~made after the meeting of the township board of equalization must be heard and determined by~~  
28 ~~the county board of equalization. The board must comply with any requirement for notice of an~~  
29 ~~assessment increase under section 57-02-53.~~

30 **SECTION 19. AMENDMENT.** Section 57-11-03 of the North Dakota Century Code is  
31 amended and reenacted as follows:

1           **57-11-03. Duties of board –~~Limitation on increase~~–~~Notice.~~**

2           At its meeting, the board of equalization shall proceed to equalize and correct the  
3 assessment roll. It may change the valuation and assessment of any real property upon the roll  
4 by increasing or diminishing the true and full valuation thereof as is reasonable and just to  
5 render taxation uniform; ~~except that the board may not increase the valuation of any property~~  
6 ~~returned by the assessor to an amount that results in a cumulative increase of more than fifteen~~  
7 ~~percent from the amount of the previous year's assessment without first giving the owner or the~~  
8 ~~owner's agent reasonable notice and opportunity to be heard regarding the intention of the~~  
9 ~~board to increase it.~~ All complaints and grievances of residents of the city must be heard and  
10 decided by the board and it may make corrections as appear to be just. Complaints by  
11 nonresidents with reference to the assessment of any real property and complaints by others  
12 with reference to any assessment made after the meeting of the city board of equalization must  
13 be heard and determined by the county board of equalization. ~~The board shall comply with any~~  
14 ~~requirement for notice of an assessment increase under section 57-02-53.~~

15           **SECTION 20. AMENDMENT.** Section 57-12-06 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17           **57-12-06. County board of equalization - Equalizing between assessment districts**  
18 **and between properties –~~Limitation on increase~~–~~Notice.~~**

- 19           1. The rules prescribed in section 57-12-05 apply when the board of county  
20 commissioners is equalizing assessments between the several assessment and taxing  
21 districts in the county provided that in such case, except as otherwise provided in  
22 subsection 2, the board may raise or lower the valuation of classes of property only so  
23 as to equalize the assessments as between districts. ~~If the board orders an increase~~  
24 ~~under this subsection, the board must comply with any requirement for notice of an~~  
25 ~~assessment increase under section 57-02-53.~~
- 26           2. Notwithstanding any other provision of this section:
- 27           a. The county board of equalization after notice to the local board of equalization  
28 may reduce the assessment on any separate piece or parcel of real estate even  
29 though such property was assessed in a city or township having a local board of  
30 equalization. The county board of equalization may not reduce any such  
31 assessment unless the owner of the property or the person to whom it was

1           assessed first appeals to the county board of equalization, either by appearing  
2           personally or by a representative before the board or by mail or other  
3           communication to the board, in which the owner's reasons for asking for the  
4           reduction are made known to the board. The proceedings of the board shall show  
5           the manner in which the appeal was made known to the board and the reasons  
6           for granting any reduction in any such assessment.

7           b. The county board of equalization after notice to the local board of equalization  
8           may increase the assessment on any separate piece or parcel of real property  
9           even though such property was assessed in a city or township having a local  
10          board of equalization. ~~The county board of equalization may not increase the~~  
11          ~~valuation returned by the assessor or the local board of equalization to an~~  
12          ~~amount that results in a cumulative increase of more than fifteen percent from the~~  
13          ~~amount of the previous year's assessment without giving the owner or the~~  
14          ~~owner's agent notice by mail to the owner of the property that such person may~~  
15          ~~appear before the board on the date designated in the notice, which date must be~~  
16          ~~at least five days after the mailing of the notice. The county auditor as clerk of the~~  
17          ~~board shall send such notice to the person or persons concerned. If the board~~  
18          ~~orders an increase under this subdivision, the board must comply with any~~  
19          ~~requirement for notice of an assessment increase under section 57-02-53.~~

20          c. If the county board of equalization during the course of its equalization sessions  
21          determines that any property of any person has been listed and assessed in the  
22          wrong classification, it shall direct the county auditor to correct the listing so as to  
23          include such assessment in the correct classification.

24          3. The owner of any separate piece or parcel of real estate that has been assessed may  
25          appeal the assessment thereon to the state board of equalization as provided in  
26          section 57-13-04; provided, however, that such owner has first appealed the  
27          assessment to the local equalization board of the taxing district in which the property  
28          was assessed and to the county board of equalization of the county in which the  
29          property was assessed. Notwithstanding this requirement, an owner of property which  
30          has been subjected to a new assessment authorized under section 57-14-08 may

1            appeal the new assessment to the state board of equalization in the manner provided  
2            for in section 57-14-08.

3            **SECTION 21. AMENDMENT.** Section 57-15-02.2 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5            **57-15-02.2. ~~Estimated property tax and budget~~Budget hearing notice.**

- 6            1. On or before August tenth of each year, the governing body of a taxing district shall  
7            provide to the county auditor in each county in which the taxing district has taxable  
8            property a ~~preliminary budget statement~~ and the date, time, and location of the taxing  
9            district's public hearing on its property tax levy, which may be no earlier than  
10            September seventh. A taxing district that fails to provide the information required under  
11            this subsection on or before August tenth may not impose a property tax levy in a  
12            greater amount of dollars than was imposed by the taxing district in the prior year.
- 13            2. By August thirty-first of each year, the county treasurer shall provide a written notice to  
14            the owner of each parcel of taxable property with a ~~total estimated property tax of at~~  
15            ~~least one hundred dollars~~. The text of the notice must contain:
- 16            a. The date, time, and location of the public budget hearing for each of the taxing  
17            districts in which the property owner's parcel is located, ~~which anticipate levying~~  
18            ~~in excess of one hundred thousand dollars in the current year~~, and the location at  
19            which the taxing district's budget is available for review; and
- 20            b. ~~The true and full value of the property based on the best information available;~~
- 21            c. ~~A column showing the actual property tax levy in dollars against the parcel by the~~  
22            ~~taxing district that levied taxes against the parcel in the immediately preceding~~  
23            ~~taxable year and a column showing the estimated property tax levy in dollars~~  
24            ~~against the parcel by the taxing district levying tax in the taxable year for which~~  
25            ~~the notice applies based on the preliminary budget statements of all taxing~~  
26            ~~jurisdictions;~~
- 27            d. ~~A column indicating the difference between the taxing district's total levy from the~~  
28            ~~previous year and the taxing district's estimated levy with the word "INCREASE"~~  
29            ~~printed in boldface type if the proposed tax levy is larger in dollars than the levy in~~  
30            ~~dollars in the previous year;~~

- 1 e. ~~Information identifying the estimated property tax savings that will be provided~~  
2 ~~pursuant to section 57-20-07.1 based on the best information available;~~  
3 f. A statement that there will be an opportunity for citizens to present oral or written  
4 comments regarding each taxing district's property tax levy; ~~and~~  
5 g. ~~The actual amount of the special assessment installment payable against the~~  
6 ~~parcel in the immediately preceding taxable year.~~
- 7 3. Delivery of written notice under this section must be by personal delivery to the  
8 property owner, mail addressed to the property owner at the property owner's  
9 last-known address, or electronic mail to the property owner directed with verification  
10 of receipt to an electronic mail address at which the property owner has consented to  
11 receive notice. If a parcel of taxable property is owned by more than one owner, notice  
12 must be sent to only one owner of the property. Failure of an owner to receive a notice  
13 under this section will not relieve the owner of property tax liability or modify the  
14 qualifying date under section 57-20-09 for which an owner may receive a discount for  
15 early payment of tax.
- 16 4. The tax commissioner shall prescribe suitable forms for written notices under this  
17 section.
- 18 5. The direct cost of providing taxpayer notices under this section may be allocated in a  
19 manner proportionate to the number of notices mailed on behalf of each taxing district  
20 that ~~intends to levy in excess of one hundred thousand dollars in property taxes in the~~  
21 ~~current year.~~

22 **SECTION 22.** A new section to chapter 57-15 of the North Dakota Century Code is created  
23 and enacted as follows:

24 **Limitation on levies by taxing districts without voter approval.**

- 25 1. a. Notwithstanding that a taxing district may have unused or excess levy authority  
26 under any other provision of law, this section supersedes and limits that authority.  
27 This section may not be interpreted as authority to increase any property tax levy  
28 authority otherwise provided by law and must be applied to limit any property tax  
29 levy authority to which a taxing district may otherwise be entitled. Property taxes  
30 levied in dollars by a taxing district may not exceed the greater of the base year

- 1           levy increased by the allowable percentage limit or the adjusted year levy  
2           increased by the allowable percentage limit.
- 3           b. Excluding any negative excess percentage increase, a taxing district may carry  
4           forward an excess percentage increase to be used in any of the five succeeding  
5           taxable years. An excess percentage increase may be used only once to  
6           increase the limitation under subdivision a and may not be carried forward  
7           beyond five taxable years. The oldest unused excess percentage increase must  
8           be applied first.
- 9           2. The limitation under subsection 1 does not apply to:
- 10           a. New or increased property tax levy authority that becomes available to the taxing  
11           district in the current taxable year resulting from:
- 12                 (1) A change in state law.
- 13                 (2) Approval by the electors of the taxing district.
- 14           b. Property tax levy authority increased above zero mills in the current taxable year  
15           by the governing board of the taxing district, provided the levy authority was not  
16           previously used.
- 17           c. Any irrevocable tax to pay bonded indebtedness levied under section 16 of  
18           article X of the Constitution of North Dakota.
- 19           d. The one-mill levy for the state medical center authorized by section 10 of article X  
20           of the Constitution of North Dakota.
- 21           e. The levy, not to exceed one mill, for the Garrison Diversion Conservancy District,  
22           authorized by section 57-15-26.8.
- 23           f. Taxes or special assessments levied to pay the principal and interest on any  
24           obligations of any political subdivision, including taxes levied for deficiencies in  
25           special assessment and improvement district funds and revenue bond and  
26           reserve funds.
- 27           g. Taxes levied pursuant to law for the proportion of the cost to any taxing district for  
28           a special improvement project by general taxation.
- 29           h. Taxes levied under sections 40-24-10, 40-43-01, 57-15-28, 57-15-41, and  
30           57-15-48 and chapter 61-16.1.
- 31           i. Taxes levied, up to eighteen mills, under section 57-15-20.

- 1       3. A majority of the qualified electors in a taxing district, at a regular or special statewide  
2       primary or general election, or sixty percent of the qualified electors in a taxing district  
3       at a special election of the taxing district, may approve a property tax levy exceeding  
4       the limitation under subsection 1 for only ~~one~~two taxable years. The ballot  
5       measure must state the proposed percentage increase and the proposed dollar  
6       amount increase exceeding the limitation under subsection 1.
- 7       4. A majority of the qualified electors in a city or county at a statewide primary or general  
8       election may elect for the city or county to be excluded from the limitation under this  
9       section for a period of ten taxable years at a time.
- 10      5. For taxable year 2025, a city may levy an amount equal to the amount levied in dollars  
11      in the preceding taxable year under sections 40-05-19 and 57-15-42 as part of the levy  
12      under section 57-15-08 without including the dollars levied for this purpose as part of  
13      the limitation under subsection 1.
- 14      6. A city or county may not supersede or modify the application of this section under  
15      home rule authority.
- 16      7. For purposes of this section:
- 17      a. "Adjusted year levy" means amount of property tax levied in dollars by the taxing  
18      district in the preceding taxable year adjusted as follows:
- 19          (1) When property and improvements to property which were not taxable in the  
20          preceding taxable year are taxable in the current year, the amount levied in  
21          dollars in the preceding taxable year by the taxing district must be increased  
22          to reflect the taxes that would have been imposed against the additional  
23          taxable valuation attributable to that property at the mill rate applied to all  
24          property in the preceding taxable year, excluding the mill rate associated  
25          with:
- 26              (a) Any irrepealable tax levied to pay bonded indebtedness levied under  
27              section 16 of article X of the Constitution of North Dakota.
- 28              (b) A tax levied for the one-mill levy for the state medical center  
29              authorized by section 10 of article X of the Constitution of North  
30              Dakota.

1           (2) When a property tax exemption existed in the preceding taxable year which  
2           has been reduced or no longer exists for the current taxable year, the  
3           amount levied in dollars in the preceding taxable year by the taxing district  
4           must be increased to reflect the taxes that would have been imposed  
5           against the portion of the taxable valuation of the property which is no  
6           longer exempt at the mill rate applied to all property in the preceding taxable  
7           year, excluding the mill rate associated with:

8           (a) Any irrepealable tax levied to pay bonded indebtedness levied under  
9           section 16 of article X of the Constitution of North Dakota.

10          (b) A tax levied for the one-mill levy for the state medical center  
11          authorized by section 10 of article X of the Constitution of North  
12          Dakota.

13          (3) When property that was taxable in the preceding taxable year is not taxable  
14          for the current taxable year, the amount levied in dollars in the preceding  
15          taxable year by the taxing district must be reduced by the amount of taxes  
16          that were imposed against the taxable valuation of that property in the  
17          preceding taxable year.

18          (4) When a temporary mill levy increase, excluding an increase under this  
19          section, authorized by the electors of the taxing district or mill levy  
20          imposition authority under state law existed in the preceding taxable year  
21          but is no longer applicable or has been reduced, the amount levied in  
22          dollars in the preceding taxable year by the taxing district must be adjusted  
23          to reflect the expired temporary mill levy increase and the eliminated or  
24          reduced mill levy under state law before the percentage increase allowable  
25          under this subsection is applied.

26          b. "Allowable percentage limit" means three percent.

27          c. "Base year levy" means the highest amount of property tax levied in dollars by a  
28          taxing district in the three taxable years immediately preceding the current  
29          taxable year.

30          d. "Excess percentage increase" means the difference, rounded to the nearest  
31          hundredth of a percent, between:



- 1           (1) The allowable percentage limit; and  
2           (2) The difference between the actual amount of property tax levied in dollars  
3           and the greater of the base year levy or the adjusted year levy with the  
4           resulting difference under this paragraph divided by the greater of the base  
5           year levy or adjusted year levy.  
6        e. "Proposed percentage increase" means the difference, rounded to the nearest  
7           hundredth of a percent, between:  
8           (1) The difference between the amount of property tax in dollars proposed to be  
9           levied by the governing board of the taxing district and the greater of the  
10          base year levy or the adjusted year levy with the resulting difference under  
11          this paragraph divided by the greater of the base year levy or adjusted year  
12          levy; and  
13          (2) The allowable percentage limit.  
14        f. "Taxing district" means any political subdivision empowered to levy taxes.

15        **SECTION 23. AMENDMENT.** Section 57-20-07.1 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17        **57-20-07.1. County treasurer to mail real estate tax statement - Contents of statement.**

- 18        1. On or before December twenty-sixth of each year, the county treasurer shall mail a  
19        real estate tax statement to the owner of each parcel of real property at the owner's  
20        last-known address. The form of the real estate tax statement to be used in every  
21        county must be prescribed and approved for use by the tax commissioner. The  
22        statement must be provided in a manner that allows the taxpayer to retain a printed  
23        record of the obligation for payment of taxes and special assessments as provided in  
24        the statement. If a parcel of real property is owned by more than one individual, the  
25        county treasurer shall send only one statement to one of the owners of that property.  
26        Additional copies of the tax statement will be sent to the other owners upon their  
27        request and the furnishing of their names and addresses to the county treasurer. The  
28        tax statement must:  
29        a. Include a dollar valuation of the true and full value as defined by law of the  
30        property and the total mill levy applicable.

- 1           b. Include, or be accompanied by a separate sheet, with three columns showing, for  
2           the taxable year to which the tax statement applies and the two immediately  
3           preceding taxable years, ~~the:~~
- 4           (1) ~~The~~ property tax levy in dollars against the parcel by the county and school  
5           district and any city or township that levied taxes against the parcel.
- 6           (2) The amount of property tax levied as a result of voter-approved levy  
7           authority, which must be separately stated for each taxing district that levied  
8           property tax as a result of voter-approved levy authority.
- 9           c. Provide information identifying the property tax savings provided by the state of  
10          North Dakota. The tax statement must include a line item that is entitled  
11          "legislative tax relief" and identifies the dollar amount of property tax savings  
12          realized by the taxpayer under chapter 50-34 for taxable years before 2019,  
13          chapter 50-35 for taxable years after 2018, and chapter 15.1-27.
- 14          (1) For purposes of this subdivision, legislative tax relief under chapter 15.1-27  
15          is determined by multiplying the taxable value for the taxable year for each  
16          parcel shown on the tax statement by ~~the number of mills of mill levy~~  
17          ~~reduction grant under chapter 57-64 for the 2012 taxable year plus the~~  
18          ~~number of mills determined by subtracting from the 2012 taxable year mill~~  
19          ~~rate of the school district in which the parcel is located the lesser of one~~  
20          ~~hundred twenty-five mills or the sum of:~~
- 21                  (a) ~~Fifty mills~~ The number of mills of mill levy reduction grant under  
22                  chapter 57-64 for the 2012 taxable year; or and
- 23                  (b) ~~The 2012 taxable year mill rate of the school district minus~~ excluding  
24                  sixty mills.
- 25          (2) Legislative tax relief under chapter 50-35 is determined by multiplying the  
26          taxable value for the taxable year for each parcel shown on the tax  
27          statement by the number of mills of relief determined by dividing the amount  
28          calculated in subsection 1 of section 50-35-03 for a human service zone by  
29          the taxable value of taxable property in the zone for the taxable year.

- 1           d. Provide information identifying the primary residence credit, including information  
2           regarding the portion of the credit derived from funding distributed from the  
3           legacy fund.
- 4           (1) The statement must include a separate line item identifying the primary  
5           residence credit realized by the taxpayer for each taxable year shown.
- 6           (2) The statements must include a separate line item or conspicuous  
7           description identifying the portion of the credit derived from funding  
8           distributed from the legacy fund.
- 9           (a) The dollar amount of the primary residence credit derived from  
10           funding distributed from the legacy fund is calculated as the product of  
11           the total amount of the primary residence credit realized by the  
12           taxpayer in a taxable year multiplied by the applicable percent.
- 13           (b) By November first of each year, the tax commissioner shall notify  
14           each county auditor of the applicable percent to be used for the  
15           calculation in paragraph a for the current and prior two taxable years.
- 16           (c) For purposes of this paragraph, "applicable percent" means the  
17           percent, rounded to the nearest hundredth of a percent, calculated as  
18           the quotient of the amount allocated to the legacy property tax relief  
19           fund from the legacy earnings fund for the primary residence credit  
20           pursuant to section 5 of this Act divided by the total amount  
21           appropriated from the legacy property tax relief fund for the primary  
22           residence credit, using the allocations and appropriations for the  
23           relevant tax years.
- 24           2. Failure of an owner to receive a statement will not relieve that owner of liability, nor  
25           extend the discount privilege past the February fifteenth deadline.

26           **SECTION 24. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota  
27 Century Code is amended and reenacted as follows:

- 28           1. A tax is hereby imposed for each taxable year upon income earned or received in that  
29           taxable year by every resident and nonresident individual, estate, and trust. A taxpayer  
30           computing the tax under this section is only eligible for those adjustments or credits  
31           that are specifically provided for in this section. Provided, that for purposes of this

1 section, any person required to file a state income tax return under this chapter, but  
 2 who has not computed a federal taxable income figure, shall compute a federal  
 3 taxable income figure using a pro forma return in order to determine a federal taxable  
 4 income figure to be used as a starting point in computing state income tax under this  
 5 section. The tax for individuals is equal to North Dakota taxable income multiplied by  
 6 the rates in the applicable rate schedule in subdivisions a through d corresponding to  
 7 an individual's filing status used for federal income tax purposes. For an estate or  
 8 trust, the schedule in subdivision e must be used for purposes of this subsection.

9 a. Single, other than head of household or surviving spouse.

10 If North Dakota taxable income is:

11	Over	Not over	The tax is equal to	Of amount over
12	\$0	\$44,725	\$0.00 + 0.00%	\$0
13	\$44,725	\$225,975	\$0.00 + 1.95%	\$44,725
14	\$225,975		\$3,534.38 + 2.50%	\$225,975
15	<u>\$0</u>	<u>\$53,825</u>	<u>\$0.00 + 0.00%</u>	<u>\$0</u>
16	<u>\$53,825</u>	<u>\$244,825</u>	<u>\$0.00 + 1.95%</u>	<u>\$53,825</u>
17	<u>\$244,825</u>		<u>\$3,724.50 + 2.50%</u>	<u>\$244,825</u>

18 b. Married filing jointly and surviving spouse.

19 If North Dakota taxable income is:

20	Over	Not over	The tax is equal to	Of amount over
21	\$0	\$74,750	\$0.00 + 0.00%	\$0
22	\$74,750	\$275,100	\$0.00 + 1.95%	\$74,750
23	\$275,100		\$3,906.83 + 2.50%	\$275,100
24	<u>\$0</u>	<u>\$89,925</u>	<u>\$0.00 + 0.00%</u>	<u>\$0</u>
25	<u>\$89,925</u>	<u>\$298,075</u>	<u>\$0.00 + 1.95%</u>	<u>\$89,925</u>
26	<u>\$298,075</u>		<u>\$4,058.93 + 2.50%</u>	<u>\$298,075</u>

27 c. Married filing separately.

28 If North Dakota taxable income is:

29	Over	Not over	The tax is equal to	Of amount over
30	\$0	\$37,375	\$0.00 + 0.00%	\$0
31	\$37,375	\$137,550	\$0.00 + 1.95%	\$37,375

Sixty-ninth  
Legislative Assembly

1	\$137,550		\$1,953.41 + 2.50%	\$137,550
2	\$0	\$44,950	\$0.00 + 0.00%	\$0
3	\$44,950	\$149,025	\$0.00 + 1.95%	\$44,950
4	\$149,025		\$2,029.46 + 2.50%	\$149,025
5	d. Head of household.			
6	If North Dakota taxable income is:			
7	Over	Not over	The tax is equal to	Of amount over
8	\$0	\$59,950	\$0.00 + 0.00%	\$0
9	\$59,950	\$250,550	\$0.00 + 1.95%	\$59,950
10	\$250,550		\$3,716.70 + 2.50%	\$250,550
11	\$0	\$72,125	\$0.00 + 0.00%	\$0
12	\$72,125	\$271,450	\$0.00 + 1.95%	\$72,125
13	\$271,450		\$3,886.84 + 2.50%	\$271,450
14	e. Estates and trusts.			
15	If North Dakota taxable income is:			
16	Over	Not over	The tax is equal to	Of amount over
17	\$0	\$3,000	\$0.00 + 0.00%	\$0
18	\$3,000	\$10,750	\$0.00 + 1.95%	\$3,000
19	\$10,750		\$151.13 + 2.50%	\$10,750
20	\$0	\$3,600	\$0.00 + 0.00%	\$0
21	\$3,600	\$11,650	\$0.00 + 1.95%	\$3,600
22	\$11,650		\$156.98 + 2.50%	\$11,650
23	f. For an individual who is not a resident of this state for the entire year, or for a			
24	nonresident estate or trust, the tax is equal to the tax otherwise computed under			
25	this subsection multiplied by a fraction in which:			
26	(1) The numerator is the federal adjusted gross income allocable and			
27	apportionable to this state; and			
28	(2) The denominator is the federal adjusted gross income from all sources			
29	reduced by the net income from the amounts specified in subdivisions a and			
30	b of subsection 2.			

1           In the case of married individuals filing a joint return, if one spouse is a resident  
2           of this state for the entire year and the other spouse is a nonresident for part or  
3           all of the tax year, the tax on the joint return must be computed under this  
4           subdivision.

5           g. The tax commissioner shall prescribe new rate schedules that apply in lieu of the  
6           schedules set forth in subdivisions a through e. The new schedules must be  
7           determined by increasing the minimum and maximum dollar amounts for each  
8           income bracket for which a tax is imposed by the cost-of-living adjustment for the  
9           taxable year as determined by the secretary of the United States treasury for  
10          purposes of section 1(f) of the United States Internal Revenue Code of 1954, as  
11          amended. For this purpose, the rate applicable to each income bracket may not  
12          be changed, and the manner of applying the cost-of-living adjustment must be  
13          the same as that used for adjusting the income brackets for federal income tax  
14          purposes.

15          h. The tax commissioner shall prescribe an optional simplified method of computing  
16          tax under this section that may be used by an individual taxpayer who is not  
17          entitled to claim an adjustment under subsection 2 or credit against income tax  
18          liability under subsection 7.

19          **SECTION 25. REPEAL.** Sections 21-10-12 and 21-10-13 of the North Dakota Century  
20          Code are repealed.

21          **SECTION 26. APPROPRIATION - TRANSFER - GENERAL FUND TO LEGACY**  
22          **PROPERTY TAX RELIEF FUND - INFORMATION ON PROPERTY TAX STATEMENTS - TAX**  
23          **COMMISSIONER.**

24          1. There is appropriated out of any moneys in the general fund in the state treasury, not  
25          otherwise appropriated, the sum of \$74,601,793, which the office of management and  
26          budget shall transfer to the legacy property tax relief fund, during the biennium  
27          beginning July 1, 2025, and ending June 30, 2027. For legislative council budget  
28          status reporting purposes, the transfer under this subsection is considered an ongoing  
29          funding item.

30          2. There is appropriated out of any moneys in the legacy property tax relief fund, not  
31          otherwise appropriated, the sum of \$473,000,000, or so much of the sum as may be

1 necessary, to the tax commissioner for the state reimbursement under the primary  
2 residence credit for the biennium beginning July 1, 2025, and ending June 30, 2027.  
3 Of the \$473,000,000, \$74,601,793 is from the general fund pursuant to subsection 1,  
4 and \$398,398,207 is from the legacy earnings fund.

5 3. Pursuant to section 57-20-07.1, the tax commissioner shall notify each county auditor  
6 that the applicable percent for taxable years 2025 and 2026 is 84.23 percent, which  
7 reflects the portion of the primary residence credit derived from funding distributed  
8 from the legacy fund.

9 **SECTION 27. APPROPRIATION - TAX COMMISSIONER - HOMESTEAD TAX CREDIT.**

10 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise  
11 appropriated, the sum of \$5,450,000, or so much of the sum as may be necessary, to the tax  
12 commissioner for the purpose of the state reimbursement of the homestead tax credit, for the  
13 biennium beginning July 1, 2025, and ending June 30, 2027.

14 **SECTION 28. EFFECTIVE DATE.**

- 15 1. Sections 8, 9, 10, 22, and 24 of this Act are effective for taxable years beginning after  
16 December 31, 2024.
- 17 2. Sections 7, 11, 14, 15, and 16 of this Act are effective for taxable years beginning after  
18 December 31, 2025.
- 19 3. Section 12 of this Act becomes effective on June 1, 2025.
- 20 4. Section 13 of this Act becomes effective on June 1, 2026.

21 **SECTION 29. EMERGENCY.** Sections 10 and 12 of this Act are declared to be an  
22 emergency measure.